

LFN 2014-10

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Local Finance Notice

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Distribution

Chief Financial Officer

CY 2014/SFY 2015 STATE AID RECAPITULATION AND PAYMENT SCHEDULES

The adopted Fiscal Year 2015 State Budget maintained formula aid program appropriations. This Local Finance Notice summarizes the aid payment program for CY 2014 and SFY 2015 budgets.

The aid breakdown and amounts for each payment cycle are posted on the [Division of Local Government Services' website](#). **Please do not discard the Aid Recapitulation form; keep it available for use during the year.**

Please read this Notice carefully before calling the Division with questions. You will find that answers for many questions are covered here. If you still have questions after reviewing this Notice, please call us at (609) 292-4806.

Energy Tax Receipts and CMPTRA Modifications

The adopted Fiscal Year 2015 State Budget **did not** change the original aid certifications for Energy Tax Receipts (ETR) or CMPTRA that were based on the proposed budget. The net amount shown in the Recapitulation form reflects all formula elements: any decrease in CMPTRA is offset by an increase in ETR and any Qualified Bond offset for municipalities participating in that program.

The CY 2014 Supplemental Energy Tax Receipts payment was paid on July 15, 2014; the SFY 2015 payment will be made June 19, 2015. SFY municipalities receiving these funds for SFY 2014 were paid on June 20, 2014.

Other Programs

- 1) Municipalities receiving aid under the Watershed Moratorium Offset Aid program will receive those funds as part of the October 1 aid payment.
- 2) Payments in lieu of taxes from the Open Space PILOT (formerly Garden State Trust) program were paid in advance of the fiscal year in which they are realized. The payment received in the fall of 2013 was to be anticipated in SFY 2014 budgets.

The payment made in the fall of 2014 is for all CY 2014 and SFY 2015 budgets. The payment for CY municipalities is expected to put Open Space Pilot Funding on line with other aid programs in the state budget whereby a municipality is paid in the same year as it is budgeted. If your municipality has a question regarding this please call the division.

3) The payment date for the Senior Citizens and Veterans Tax Deductions is November 1 (a separate Finance Notice will identify the amounts and breakdown).

If a municipality receives unexpected payments, the GovConnect Vendor Payment Inquiry system enables user to determine the source of State payments. If you have questions on how to use VPI, contact the GovConnect help desk at egg@dca.state.nj.us or at 609-973-4724.

Payment Schedules

The CMPTRA and ETR aid installment payment schedules are unchanged for Calendar Year municipalities. The final 5% payment is subject to adjustment based on the municipality's compliance with the Best Practices Questionnaire. The State budget requires program compliance in order for the final 5% payment (or portion thereof) of CMPTRA/ETR to be released.

There was a settlement agreement with certain municipalities that permitted payment of certain fines concerning DEP vs. Passaic Valley Sewerage Authority to be paid out of the first two scheduled CMPTRA payments for up to \$95,000. The municipalities that agreed to use the first two CMPTRA payments for this have the payments reflected in the Aid Payment schedule as well as the balance of the installment payment due this year. There are other municipalities that owe on this settlement but since they do not receive any CMPTRA aid, this does not affect their aid payment schedule, so it is not reflected here.

The following schedule details direct deposit dates for ACH payments:

Statutory Payment Date	Percent of Aid	ACH Deposit Date
August 1	45%	<i>August 1</i>
September 1	30%	<i>September 2</i>
October 1	15%	<i>October 1</i>
November 1	5%	<i>November 3</i>
December 1 (CY & TY)	5%*	<i>December 1</i>
June 1 (SFY)	5%*	<i>June 1</i>

* Subject to any Best Practice adjustment

To recap the single payment schedule:

- Watershed Moratorium and Open Space PILOT (Garden State Trust) on October 1.
- Calendar Year Transitional Aid will be disbursed pursuant to the Memorandum of Understanding that each recipient will execute.
- Senior Citizens/Veterans Property Tax Deductions are paid in November.

Municipalities with fire districts are reminded that they must make the appropriate payments for the old Supplemental Fire Services Program to their fire districts by November 1.

Thank you for your attention to these issues.

Approved: Thomas H. Neff, Director

Table of Web Links

Page	Shortcut text	Internet Address
1	Division website	http://www.nj.gov/dca/divisions/dlgs/resources/fiscal_rpts.shtml
2	Local Finance Notice 2011-39	http://www.state.nj.us/dca/divisions/dlgs/lfns/11/2011-39.doc